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Operational activities for development

Measures to promote and facilitate South-South cooperation

Report of the Secretary-General

Summary

The present report describes the evolution of the agenda for South-South cooperation, beginning with the United Nations Conference on Technical Cooperation among Developing Countries, held in 1978. It reviews the major policy documents issued by ministerial meetings of the Group of 77, the decisions of the first South Summit, held at Havana in 2000, and the Tehran Consensus of 2001. It considers in general terms what has been achieved, and what can be done to consolidate, update and revitalize the agenda for South-South cooperation in the context of major transformations in the world. It also recommends a number of concrete measures to further South-South cooperation.

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I. Introduction

1. The present report is submitted in response to General Assembly resolution 56/202 of 21 December 2001, in which the Assembly stressed that South-South cooperation, as an important element of international cooperation for development, offered viable opportunities for developing countries in the pursuit of sustained economic growth and sustainable development and for ensuring their effective and meaningful participation in the newly emerging global economic system. In particular, the Assembly made reference to two initiatives of developing countries: the Havana Programme of Action (A/55/74, annex II), adopted by the South Summit of the Group of 77, held at Havana from 10 to 14 April 2000; and the Tehran Consensus (A/56/358 and Corr.1, annex), adopted at the Tenth Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries of the Group of 77, held at Tehran from 18 to 22 August 2001. The two documents highlighted the need to revitalize and consolidate the South-South platform, build stronger South institutions at the global level, bridge the knowledge and information gap, broaden partnerships and mobilize global support for South-South cooperation.

2. Recognizing the need to raise public awareness of and support for South-South cooperation as a dynamic form of international development cooperation which can give real content to the concept of ownership and partnership, the Assembly took note of the proposal contained in the Tehran Consensus to launch the first International Decade on South-South Cooperation and the observance of an annual United Nations day for South-South cooperation. It requested the Secretary-General to include in his report to the Assembly at its fifty-seventh session, concrete measures for promoting and facilitating South-South cooperation, taking into account all relevant initiatives and proposals in that regard.

3. As a basis for suggesting measures to revitalize South-South cooperation, the present report examines the concept, agenda and past lessons in this approach to international development cooperation, building on the previous report of the Secretary-General on the state of South-South cooperation (A/56/465), in which he concluded that much remained to be done to act on the many plans of action that the South had formulated over the years. The preparation of the present report has benefited from consultation with and written input from a number of United Nations organizations and agencies.

II. Concept and rationale of South-South cooperation

4. The agenda for cooperation among developing countries is rooted in their demands for political, economic and social equity and progress. The founding acts of South-South cooperation were the Bandung Conference of 1955, the formation of the Non-Aligned Movement in 1961 and establishment of the Group of 77 in 1964. Although the Non-Aligned Movement has played a leading role in articulating the agenda of South-South cooperation, the present report focuses on the initiatives of the Group of 77 because that group has been the main instrument for the developing countries in the consideration by the United Nations of all economic and social development issues. In considering the South agenda for cooperation, it is necessary to understand the differences between some of the basic concepts and their rationale:

(a) Technical cooperation among developing countries focuses on building capacity within and among the peoples of the South. It seeks to restore traditional linkages and to create new ones that will support the economic, social, cultural, intellectual and political development necessary to eradicate poverty and underpin an equitable, environmentally sustainable and democratic world order;

(b) Economic cooperation among developing countries focuses mainly on trade and technology flows among developing countries, and is oriented towards seeking mutually beneficial arrangements based on shared interests and complementary capacities. It aims to increase exchanges among developing countries and to strengthen their participation in the world economy, on the basis of equity;

(c) The phrase "South-South cooperation" gained currency in the context of the efforts of developing countries in the 1970s to negotiate agreements that would help to close the widening economic gap between them and the developed countries. It includes and is underpinned by both technical and economic cooperation among developing countries, and is often used interchangeably with the latter. The canvas of South-South cooperation is, however, wider than that of economic cooperation among developing countries. It covers the gamut of cooperative interaction among developing countries as they try to compensate for their relative lack of power

in global arrangements by building solidarity that is based on mutual benefit. It is necessary to note that, within the United Nations framework, all three concepts are seen as complementary to international development cooperation. They exist conceptually within the framework of the growing interdependence of countries.

5. Over the past four decades, the Group of 77 has periodically convened South-South forums to articulate common positions on a broad range of issues, to review progress and set new lines of action. The analysis below begins with the United Nations Conference on Technical Cooperation among Developing Countries, held at Buenos Aires in 1978, and reviews briefly a subsequent series of landmark meetings of the Group of 77, held at Caracas in 1981, at Cairo in 1986, at San José in 1997, at Bali, Indonesia, in 1999, at Havana in 2000 and at Tehran in 2001. Some policy guidelines on South-South cooperation are to be seen in the documents issued by recent United Nations global conferences.

III. Agenda for South-South cooperation

A. United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 1978

6. The United Nations Conference on Technical Cooperation among Developing Countries was convened at Buenos Aires in August-September 1978, towards the end of a volatile decade that had seen the dramatic rise of the Organization of Petroleum Exporting Countries and a sustained effort by developing countries to negotiate a New International Economic Order. It signified a coming to terms with the political reality that no change would be possible in international economic relations unless the South became more capable and self-reliant.

7. The Conference made 38 recommendations, most of them indicating the aims and direction of action rather than specific content, and were focused on four fronts: national, subregional and regional, interregional, and global. The largest number of recommendations were directed at the national level and focused on the need to support technical cooperation among developing countries with policies, institutions, programmes and information systems. A particular emphasis was placed on developing research and training institutions of multinational scope. Technological, economic and social self-reliance were key aims. Governments were called upon to foster cultural and educational links in order to create increased awareness of other developing countries, and to mobilize public support for technical cooperation among developing countries with a view to reducing the attitudinal barriers built up during the colonial period. At the regional and global levels, governments were requested to exchange development experience, jointly identify common development problems and solutions, and maximize the use of developing country capacities in international cooperation for development. United Nations agencies and programmes were requested to support technical cooperation among developing countries by incorporating it into their policies and practices, with the full support of developed countries.

8. In endorsing the Buenos Aires Plan of Action[1] and calling for its implementation by governments, United Nations agencies and other intergovernmental bodies at the subregional and regional levels, the General Assembly, in resolution 33/134 of 19 December 1978, underlined especially the need for cooperation in the areas of employment and training. It called on the United Nations development system to take expeditious action and for continued consultations among United Nations bodies on technical cooperation among developing countries. To support the objectives of technical cooperation among developing countries, the Administration of the United Nations Development Programme (UNDP) was requested to give the necessary orientation to the activities, programmes and projects of UNDP, including the strengthening of its Special Unit for Technical Cooperation among Developing Countries. To review and assess progress, the Assembly requested UNDP to convene annual meetings of a high level committee.

B. High-level Conference on Economic Cooperation among Developing Countries, Caracas, 1981

9. The High-level Conference on Economic Cooperation among Developing Countries was convened by the Group of 77 at Caracas in May 1981, a time of global crisis. The Conference noted that the

crisis was a reflection of the underlying structural maladjustment and the persisting lack of equity in international economic relations, which was being exacerbated by the deterioration of relations between the great powers, aggravation of international tensions, the intensification of the arms race, colonialism, interference in internal affairs, apartheid, racism, racial discrimination and all forms of foreign aggression, occupation, domination, hegemony, expansion and exploitation.

10. The Conference adopted a far-reaching set of recommendations under nine headings: trade; technology; food and agriculture; energy; raw materials; finance; industrialization; technical cooperation among developing countries; and mechanisms for coordination, monitoring, follow-up action and evaluation. In each area, the Conference recommended increased linkages, improved information flows, greater cooperation among institutions, and the convening on a regular basis of meetings of officials at the policy and operational control levels.

11. To increase trade among developing countries, the Conference recommended the launching of negotiations on a global system of trade preferences among developing countries and joint initiatives to maximize efficiencies in marketing and transfers of technology.

12. To address the severe problems of finance facing developing countries, the Conference urged an expert study of the proposal for a non-aligned solidarity fund and a bank for developing countries, and continued work within the United Nations Conference on Trade and Development (UNCTAD) on the creation of an export credit guarantee facility.

13. With regard to technical cooperation, the meeting recommended the drawing up of a model contract for recruiting experts from developing countries and the convening of biennial meetings of the heads of national technical cooperation agencies to review, assess and follow-up recommended action.

14. The largest number of specific recommendations was under the rubric of mechanisms. The Conference recommended the creation of a high-level committee for intergovernmental follow-up and coordination at the global level, which would meet once a year to review information collated by the Chairman of the Group of 77 and regional coordinators. The results of sectoral reviews every two years should, it recommended, be forwarded through the high-level committee to the ministerial meeting of the Group of 77 for a thorough review and appraisal of activities in economic cooperation among developing countries.

15. *The Conference urged members of the Group of* 77 which maintained permanent missions to the United Nations in New York to depute staff to help the Chairman of the Group according to the following pattern: one from each regional group; one from the country holding the chair; one from the country in which the high-level meeting was last convened; and one from the country in which the next meeting would be held. Governments were requested to pay the costs of expert and other meetings when they were not covered by an international agency and, through a Group of 77 account for economic cooperation among developing countries, to finance such activities as collection, collation, printing and distribution of documents and information. Each member of the Group was asked to pay $1,000 into that account annually, with larger contributions invited.

C. High-level Meeting on Economic Cooperation among Developing Countries, Cairo, 1986

16. The High-level Meeting on Economic Cooperation among Developing Countries, convened by the Group of 77 at Cairo in August, 1986, introduced three critical new elements that did not appear in the Caracas documents. One was agreement on the need to establish a sector-by-sector scale of priorities, including intersectoral integration, based on the criteria of mutuality of interest, economic benefits, viability and feasibility of projects and programmes. The second was to encourage the participation of non-governmental entities in South-South cooperation. Third, the meeting underlined the interrelationship between peace, security, development and economic cooperation among developing countries and accordingly stressed the importance of settling all disputes among developing countries by peaceful means.

D. South-South Conference on Trade, Investment and Finance, San José, 1997

17. Seventeen years after the adoption of the Caracas Programme of Action (A/36/333 and Corr.1, annex) the

ministers of the Group of 77 and China, during the South-South Conference on Trade, Investment and Finance held at San José, Costa Rica, in January 1997, took stock of a world that had been transformed by the end of the cold war, the swift onset of the digital age and the rapidly accelerating processes of globalization. In the San José Declaration and in the San José Plan of Action (see A/C.2/52/8, annex), the ministers noted the increase in the overall capacities and complementarities of developing countries, that globalization and liberalization had increased economic interdependence and that the revolutionary developments in informatics and information technology represented a historic opportunity for developing countries. It was noted that the participation of the private sector in the development of the national economies in developing countries had been increasing substantially, which had to be duly taken into consideration in South-South cooperation. It was recognized that it would be desirable to develop and strengthen a partnership among the different actors, including the public and private sectors, entrepreneurs, non-governmental organizations, community-based organizations and civil society.

18. With regard to trade, the ministers noted that the interregional variable was one of the sources of South-South cooperation, and called for a network of bilateral, trilateral and multilateral free trade initiatives and wider integration arrangements. With regard to finance, the ministers called for the intensified interaction of the Group of 77 in New York with the Group of 24 in Washington, D.C., as a way of strengthening relations between the United Nations and the Bretton Woods institutions. In the area of industrialization, the ministers endorsed the network of investment promotion services of the United Nations Industrial Development Organization as the nucleus of a South-South industrial investment promotion network and requested the agency to support the creation of regional metrology laboratories to help to improve the quality of manufacturing processes, standards and products. In calling for cooperation at the level of business enterprises, the ministers stated that issues of science and technology, particularly the technology programme of the Caracas Programme of Action, needed to be revisited as a South-South development priority. They urged Governments to extend financial aid, training, marketing support and information networks so as to create an enabling environment for entrepreneurship in the informal sector, which played an important role in the development of developing countries.

19. To help the landlocked and small island developing countries, the ministers called for bilateral and regional agreements on transit transport operations, joint ventures in the area of transit transport, and the strengthening of institutions and human resources dealing with transit transport. Introducing elements missing from the Caracas Programme of Action, the ministers noted the important role of women in development and the necessity of engaging the participation of civil society in South-South cooperation. They urged the creation of institutional mechanisms to provide the financing, market information, technology, education and training that would enable women workers, producers and their microenterprises to benefit from the process of globalization, and encouraged the networking of women's organizations in developing countries as part of the expansion of South-South cooperation.

E. High-level Conference on Regional and Subregional Economic Cooperation of the Developing Countries, Bali, 1999

20. At the High-level Conference on Regional and Subregional Economic Cooperation of the Developing Countries, held at Bali, Indonesia, in December 1998, the Group of 77 issued the Bali Declaration and the Bali Plan of Action on Regional and Subregional Economic Cooperation of the Developing Countries (A/53/739, annexes I and II). In addition to repeating earlier recommendations on the creation and strengthening of mechanisms for closer consultation, communication and networking among developing countries, there were a number of new proposals for action. The Conference urged publication of an annual statistical yearbook on the developing country groupings, the creation of consultative mechanisms to promote timely study of the impact of economic blocs and economic crises on those groupings. It urged that workshops be held on multilateral negotiating skills for government officials.

21. With regard to transport and communications, the Conference urged the creation of common transportation and communication infrastructure, including harmonized national traffic codes, road rules, railway technical specifications and

telecommunications networks. To revitalize trade, industrial and financial cooperation, it urged the creation of regional funding facilities, common payment mechanisms and currency convertibility, as well as the creation of surveillance mechanisms to give early warning of emerging crises. It urged greater regional interaction by businessmen and women, and the creation of interregional networks of chambers of commerce and industry, trade and professional associations, parliamentarians, scientists, academics, young entrepreneurs and scholars.

F. South Summit, Havana, 2000

22. At the first South Summit meeting, held at Havana in April 2000, the heads of State and Government of the developing countries considered development in the context of three overarching themes: globalization, South-South cooperation and North-South relations. In the Declaration and Programme of Action adopted at the Summit (A/55/74, annexes), it was recognized that the platforms, strategies and plans of action adopted by the Group of 77 and the Non-Aligned Movement constituted a comprehensive philosophy and framework for action, and that progress over the years had not been commensurate with the comprehensive nature of their comments.

23. To overcome whatever factors had limited that cooperation, the Summit proposed a set of institutional measures, unprecedented in specificity and scope. The Summit recommended that the office of the Chairman of the Group of 77 in New York be upgraded to a compact executive secretariat and that all members of the Group contribute $5,000 (or more) annually to support it. An additional $10 million fund was proposed to help implement the Summit's other decisions, which included: a review of all existing South-South cooperation programmes with a view to identifying complementarities; coordination of the networking of research institutions in the South to improve the analytical ability available to the Group; and the publication of an annual report on South-South cooperation, in collaboration with the UNDP Special Unit for Technical Cooperation among Developing Countries.

24. The Special Unit, when strengthened and endowed with adequate resources, was requested to establish a network of focal points of developing countries and create a multidimensional web of information for development. Other recommendations concerned the convening of groups of experts (acting in their individual capacities), to review the agendas of major multilateral conferences and guide developing countries in achieving a desirable outcome; the development of a vulnerability index which would focus attention on the risks of globalization for mainly agrarian developing countries; and the creation of a mechanism for monitoring, analysis, identification, management and follow-up, to ensure the effectiveness of South-South cooperation. Finally, the Summit recommended that the heads of State and Government of developing countries meet again in 2005.

G. Tenth Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries, Tehran, 2001

25. One year after the South Summit, the Group of 77 convened the Tenth Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries at Tehran in August 2001. It adopted the Tehran Consensus (A/56/358 and Corr.1, annex), which set out five strategic objectives for South-South cooperation: (a) consolidation of the South-South platform, to bridge the gap between set objectives and agreed actions and actual implementation, and to give members of the Group of 77 a strategic overview of the new global environment; (b) mobilization of the financial and skilled human resources necessary for the structured and institutional support of the initiatives of the Group, beginning with its secretariat in New York; (c) bridging of the knowledge and information gap by launching a South report as the basic reference and major policy and analytical tool for South-South cooperation; (d) forging of broad-based partnerships in support of South-South cooperation; and (e) mobilization of global support, from international agencies and the public, within the framework of the International Decade on South-South Cooperation and a United Nations day for South-South cooperation.

H. South-South cooperation and the achievement of Millennium development goals

26. The Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/CONF.191/11), adopted by the Third United Nations Conference on the Least Developed Countries, held at Brussels in May 2001, points to human and productive capacity-building, technical assistance and exchange of best practice, in particular with regard to issues relating to health, education, professional training, environment, science and technology, trade, investment and transit transport cooperation, as areas in which South-South cooperation has an important role to play by drawing on the expertise and resources that exist in the South. Most recently, the International Conference on Financing for Development, held at Monterrey, Mexico, in March 2002, in dealing with an issue generally considered only in its North-South context, encouraged South-South cooperation, including through triangular cooperation, to facilitate the exchange of views on successful strategies, practices and experience and the replication of projects. It also called for the strengthening of South-South cooperation in the delivery of assistance.

27. The organizations of the United Nations system that responded to a questionnaire sent in connection with the preparation of the present report, including UNCTAD, the International Atomic Energy Agency, the World Health Organization, the International Trade Centre UNCTAD/WTO, the Universal Postal Union, the United Nations Population Fund, the Joint United Nations Programme on HIV/AIDS, UNDP and the Department of Economic and Social Affairs of the United Nations Secretariat, indicated substantial support for cooperation among developing countries. Asked which development goals could be best pursued through South-South cooperation, respondents were unanimous in pointing to environmental protection. Gender equality was also strongly supported as an area for South-South cooperation. Respondents were also unanimous in considering that countries pivotal to technical cooperation among developing countries could best advance South-South cooperation by building strong centres of excellence. Support for a United Nations decade for South-South cooperation and the proposal of the Group of 77 to establish a solidarity fund was also strong. Asked which five activities they would recommend be carried out during the proposed United Nations day for South-South cooperation, there was strong support for activities that would focus on raising awareness. Activities to assess the impact of South-South cooperation, increase discussion of different approaches, and highlight obstacles and benefits were also recommended.

IV. Emerging issues

28. The basic priorities for South-South cooperation have not changed in the past four decades: at the top of the list are increased trade, equitable participation in the global economy, the transfer, adaptation and innovation of technology for development, and building greater internal capacity to deal with a range of severe economic problems. The global context in which these priorities are pursued has, however, changed dramatically from what it was three decades ago.

29. Rapid globalization has added new imperatives to cooperation among developing countries. Experience has underlined the need to deal with complex interlinkages: for instance, cooperation to upgrade human resources, once focused mainly on training, must now also cover such issues as health, morbidity, social security, human rights, gender and generational equity.

30. Cooperation to build supportive infrastructure for transport, communications and information systems is not only a means to remedy shortcomings but also to make use of new technologies that offer developing countries an unprecedented opportunity to overcome many old obstacles. The induction of business, civil society and non-governmental organizations into the South-South process has changed its dynamics and holds out the hope that the predominantly economic and technological focus of such cooperation can be broadened to include issues that must be addressed if the societies of developing countries are to become not only more affluent and technologically competent but more caring of people and the natural environment.

31. Two areas of South-South cooperation that have gained more prominence in South-South dialogue in recent years were barely mentioned in the seminal documents of the Group of 77 of the early 1970s. One is environmental protection. Preparations for the United Nations Conference on Environment and Development, held at Rio de Janeiro, Brazil, in June

1992, engaged the Group in environmental issues to an unprecedented degree. Since then, that involvement has continued and grown as developing countries entered into global negotiations on instruments to give legal form to commitments contained in Agenda 21,[2] on the environment and development. At the operational level, action to protect the natural environment has been a growth sector in South-South cooperation.

32. The second important area that is not addressed in the major documents of the Group of 77 is subregional, regional and international security. Because security issues have been dealt with by the Non-Aligned Movement, they have not been integrated into the South-South agenda of the Group of 77. In recent years, however, the increasingly destructive impact of conflicts within and among developing countries has required their consideration within the context of development.

33. Conflict prevention, peacemaking, disarmament and demobilization of combatants, and post-conflict reconstruction have all been drawn into the framework of cooperation among developing countries. In Latin America and Africa, South-South cooperation has been important in initiating action to cope with the destabilizing proliferation of small arms and light weapons in areas of conflict. Preparations for the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, held in New York in July 2001, sharpened attention on the need for regional and interregional cooperation. Developing countries have also addressed the broadest issues of international security by adopting treaties declaring nuclear-weapon-free zones in Latin America and the Caribbean, Asia and Africa.

34. Since the early 1990s, the proliferation of declarations and action plans relevant to South-South cooperation and the transformed global context have made obvious the need for a fundamental review and reorientation. In regard to technical cooperation among developing countries, the General Assembly, acting on the initiative of the Group of 77, adopted resolution 49/96 of 19 December 1994, in which it called for new directions and for policies and practices to focus on the strategic interventions that were likely to have a major impact on a large number of developing countries and help them to face the challenges of globalization.

35. Trade and investment, debt, the environment, poverty alleviation, production and employment, macroeconomic policy coordination and and management, were all identified as areas to be addressed. On the broader issues of economic cooperation among developing countries and South-South cooperation, the South Summit and the Tehran Consensus have indicated the need for more focused efforts within the Group of 77 to articulate priorities and to act on them. The specific reference by the South Summit to the Non-Aligned Movement opens the door to considering how security and development issues can be incorporated conceptually into a common framework for South-South cooperation.

V. Lessons learned

A. National action

36. The South-South record of cooperation has not been subjected to detailed review and assessment in terms of goals met, but two observations can be made on the available evidence. One is that significant progress has been made in South-South cooperation.

37. There has been considerable progress made with regard to technical cooperation, and it has been largely an indigenous effort. By the 1990s, a number of developing countries in every region had emerged as net providers of technical assistance: Egypt and Tunisia in Africa; China, India, Thailand, Singapore and Indonesia in Asia; Argentina, Brazil, Chile, Colombia, Mexico, Cuba and Venezuela in Latin America; and Turkey, Malta, Cyprus and Poland in the Eastern Europe-Mediterranean area.

38. These countries, formally recognized as pivotal to technical cooperation among developing countries, have been hubs of intra-South cooperation. Some of them now expend substantial resources on outreach to other developing countries. For example, India budgeted $170 million for South-South cooperation activities in the biennium 1999-2000 and has a diversified scholarship programme that annually hosts some 2,000 nationals of other developing countries. Turkey committed 80 per cent of its 1999-2000 development cooperation budget of $180 million to technical cooperation among developing countries; in 2001, it reported signing 72 bilateral agreements with 44 developing countries, 30 of them for economic or technical cooperation. Brazil consults annually with Latin American and Caribbean countries before

drawing up its programmes of cooperation, funded nationally and from multilateral sources. China has a diverse portfolio of cooperative projects with other developing countries and, in 2000, decided that over a two-year period it would reduce or cancel some $1.2 billion in debt owed mostly by African least developed countries.

39. Singapore had a $14.8 million budget in 2000 for its portfolio of projects for technical cooperation among developing countries, much of it dedicated to training programmes that involved some 7,000 nationals from 133 countries. Sri Lanka has trained personnel from its region in areas of indigenous expertise, including the extraction and use of banana fibre, wind power and crab breeding. Often, countries have cooperated on an interregional basis. Cuba has provided medical experts and health-care systems to many countries outside the Latin America and Caribbean region. In Africa, Benin, Seychelles and Uganda have worked through joint commissions with other developing countries to identify priorities for South-South cooperation. India has run programmes on farming and entrepreneurship development in Burkina Faso, Namibia and Senegal.

40. Activities in technical cooperation among developing countries have also spread to non-traditional areas: in designing its ombudsman system, Peru drew on Guatemala's experience with its Peace Commission (which had helped to bring its long-standing civil war to an end), and on South Africa's use of a post-apartheid truth commission. Moldova and Romania have developed a plan to exchange expertise and experience in managing external debt. Some South-South projects are tailored to even more specific needs: in 1999, Malaysia, with its diversified portfolio of South-South initiatives, developed a training programme solely for diplomats and public servants in Myanmar.

41. In facing new challenges, developing countries have pooled resources and forged new partnerships among themselves and with non-governmental and intergovernmental organizations. In 1999, Indonesia hosted a series of interregional brainstorming sessions on issues relevant to globalization. Working with the South Centre and the Third World Network, Governments have articulated joint positions on trade and investment policies and prepared the South agenda for global negotiations. A project funded by the Organization of American States and led by Peru to study the impact of El Niño, has involved the cooperation of Chile, Colombia, Ecuador and Panama.

42. The overall picture of national performance on South-South cooperation requires improved synergy and strategies in order to tap into the vast natural resources and growing cadre of experts in the South. At the global level, developing countries need to provide adequate support to institutions responsible for the promotion and coordination of South-South cooperation, such as the office of the Chairman of the Group of 77 in New York, and the UNDP Special Unit for Technical Cooperation among Developing Countries.

B. Donor countries

43. Developed countries have provided vital support for South-South cooperation, in particular in the area of human resource development, research and institutional capacity-building. Aid is being increasingly targeted at groups of countries or institutions that address overarching thematic issues. The European Union, for instance, has supported programmes that engage large numbers of countries in the expansion of trade, protection of the environment and development of human resources in Africa. The Netherlands has co-financed sectoral programmes in 22 developing countries through multi-donor basket funds, providing support for the use of the technical resources of the South in any element of the programme.

44. In general, donor countries have preferred to facilitate South-South cooperation by supporting centres of excellence and knowledge networks. Sweden is financing three networks in Asia (on renewable energy technologies, energy research, and environment and climate) and two in Africa (on energy policy and biotechnology). Some donors have also made greater use of experts from the South in their bilateral programmes. Noteworthy cases include the third-country training arrangements of Japan with Kenya, Mexico, Singapore and Thailand; the training arrangements of Sweden, based in Singapore and Uruguay; the arrangements of Canada with Singapore; and those of Australia with the Association of South-East Asian Nations (ASEAN), Fiji, Papua New Guinea, Samoa and Vanuatu.

45. In research and development, some significant success stories can be attributed to alliances between

institutions of the South and the North. The production of high-yielding new rice varieties in West Africa involved collaboration among African, Asian, European and North American scientists under the auspices of the West Africa Rice Development Association. Technical input from institutions in developed countries, such as Japan, complemented the efforts of 17 African member institutions of the West Africa Rice Development Association, the International Rice Research Institute in the Philippines, the International Institute of Tropical Agriculture in Nigeria and a similar institute in China. A programme on sustainable development of the Greater Mekong Basin has also benefited from triangular cooperation, with funding from Germany, Japan and other developed countries supplementing resources from the Asian Development Bank.

46. The most important lesson to be drawn from existing examples of triangular cooperation is that, when institutions and experts in the South are adequately funded and able to network with their peers in the developed world, development outcomes improve and centres of excellence in the South are strengthened. In meeting the challenges of sustainable development, the future clearly must lie in the creation of increasing numbers of such centres in developing countries.

47. Efforts aimed at regional and subregional integration and cooperation among developing countries have multiplied in the past four decades. Every developing country now belongs to one or more such grouping. However, only a few, such as the Association of South-East Asian Nations, Mercosur (the South American common market), CARICOM (the Caribbean Community), the Southern African Development Community and the South Asian Association for Regional Cooperation, have succeeded in changing regional profiles in the global context. The vast majority of other efforts made to bring about South-South cooperation have been ineffective and remain little known outside their immediate membership.

48. The most successful groupings of the South have been the basis for increased participation in the global economy. A number of countries in East and South Asia and Latin America have grown rapidly by opening their economies to foreign investment and allowing transnational corporations to incorporate them into international production chains. Largely because of this, intraregional trade has grown substantially in recent years. According to UNCTAD calculations (done for the present report, based on statistics of the International Monetary Fund), the exports of Latin American developing countries to one another accounted for 16.4 per cent of their total exports in 2000. The intraregional exports of East and South Asia accounted for 39.1 per cent of their total exports in the same year. Intra-African trade was much lower than in other major developing country regions; the exports of African countries to others in the region was around 7 per cent of their total trade. Although the figures for Asia and Latin America seem better, they actually represent the economic performance of a few countries. The majority of developing countries continue to be embedded in the North-South paradigm set during the colonial period.

C. Role of the United Nations system

49. Technical assistance within the United Nations system, which used to be mainly North-South, has been transformed over the past four decades. It can now be North-South, South-South, or involve one or more parties from North and South in a variety of equations known as triangular cooperation. This is clearly evident in the operations of UNDP whose most recent programmes stress the need to disseminate best practices and lessons learned among the countries that it assists. Capacity-building has been the main thrust of these programmes, and many have focused on creating the systems and skills necessary for countries to integrate into the global economy. Through its Special Unit for Technical Cooperation among Developing Countries, UNDP provides the substantive secretariat for the High-level Committee on the Review of Technical Cooperation among Developing Countries established by the General Assembly in 1980. The Unit also serves as the focal point and coordinator of South-South cooperation in the United Nations system.

50. Other United Nations agencies and programmes also reflect extensive use of South-South approaches, but do not always use the term "South-South cooperation" in referring to their work.

51. Several factors have contributed to the spontaneous mainstreaming of South-South cooperation, which requires more conscious planning and coordination. One is the generally unadvertised growth of technical capacity within developing

countries. Another is the erosion of the attitudinal barriers that often made the Governments of developing countries reluctant to accept experts from other developing countries. A third factor is the wave of reform in the United Nations system that in recent years has decentralized the operational control of many activities to field offices. The organic growth of the South-South approach is commendable but it can profit from improved overall strategy and mechanisms to monitor progress, promote synergy and measure impact. The biennial meetings of the High-level Committee on the Review of Technical Cooperation among Developing Countries cannot undertake these tasks with the logistical arrangements currently in place without institutional and financial backing at the global, regional and national levels.

52. On the larger processes of South-South cooperation, there has been no major international review since 1994. In recent years, the need for such a review has grown in the light of the proliferation and range of initiatives. In addition to the better known examples, such as ASEAN, Mercosur, the Southern African Development Community, the Gulf Cooperation Council and the South Asian Association for Regional Cooperation, there are many that have languished for a variety of reasons, including a lack of institutional capacity and resources to establish and maintain the infrastructure necessary for cooperation. An additional factor in need of ongoing review and assessment is the impact on such cooperation efforts by the World Trade Organization (of which not all developing countries are members) and recent regional arrangements, such as the North American Free Trade Association, involving major developed countries and developing countries.

53. Since the convening of the United Nations Conference on Technical Cooperation among Developing Countries at Buenos Aires, other major United Nations conferences have underlined the need for South-South cooperation, in some cases using the politically neutral term "regional cooperation". For instance, in the Vienna Declaration and Programme of Action adopted in 1993 (see A/CONF.157/24 (Part I), the World Conference on Human Rights argued that regional arrangements played a fundamental role in promoting and protecting human rights, and called for their creation and strengthening. It placed human rights firmly in the development perspective, stating that democracy, development and respect for human rights and fundamental freedoms were interdependent and mutually reinforcing, and calling on States to cooperate with each other in ensuring development and eliminating obstacles to development. Among the obstacles it noted were extreme poverty, the illicit dumping of toxic wastes, the external debt burden of developing countries, and certain advances, most notably in the biomedical and life sciences as well as in information technology which might have potentially adverse consequences for the integrity, dignity and human rights of the individual.

54. In July 2001, the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects also made a number of specific recommendations for cooperation at the regional level,[3] to combat problems with a wide range of humanitarian and socio-economic consequences that posed a serious threat to sustainable development. Noting the linkage between the illicit arms trade, the trafficking of narcotic drugs, crime and terrorism, the Conference called for cooperation, including technical cooperation, at the subregional and regional level, to agree on legal instruments and operational arrangements necessary to deal with the issues. It urged trans-border customs cooperation and the creation of networks for information-sharing among law-enforcement, border and customs control agencies. Action on small arms and light weapons within the context of development cooperation had been initiated within the United Nations system prior to the Conference. UNDP, for example, has been engaged in supporting regional and national projects oriented towards post-conflict reconstruction, which include elements of demobilization of combatants, disarmament and destruction of weapons. Another important area of considerable relevance to South-South cooperation is mine clearance, where the United Nations system has been quite active.

VI. Conclusions

55. The basic concepts, direction and thrust of South-South cooperation continue to be relevant despite drastic changes in the global context. Cooperation among developing countries is critical for their own welfare and a necessary supplement to their cooperation with developed countries. Despite institutional weakness and a continuing scarcity of human and financial resources, there has been a broad

record of cooperation and achievement. South-South approaches have a major role to play in furthering development, provided they receive the consistent support of Governments of both developed and developing countries and of international organizations.

56. The strategic objectives of collective self-reliance and capacity for greater participation in the world economy have not been realized by most developing countries. Perhaps equally important has been that cooperative effort has been envisaged almost exclusively as economic and technical; such critical issues as the environment, human rights, governance and corruption, all serious problems shared by countries of the South, have been considered too sensitive for joint action. The whole area of governance, including the critically important area of human rights, has been missing from the South agenda until very recently.

57. It is to be noted that although developing countries have generally tended to view these issues as less pressing and have rarely included them in South-South documents in the belief that it would trammel their top priority of economic growth, attitudes are changing rapidly. On human rights, the change was clearly signalled in the strong consensus statement issued recently by the African Development Forum meeting in March 2002 at the summit level. African heads of State and Government declared the interdependent elements of peace, security, democracy and human rights to be basic requirements. They decided to expedite ratification of the Protocol to the African Charter on Human and Peoples' Rights, concerning the establishment of an African Court on Human and Peoples' Rights, and to expand the mandate of the African Commission on Human and Peoples' Rights to enable it to monitor and report on human rights violations while they were taking place, with a view to taking preventive action as well as seeking remedies after the fact.

58. Another critical area for South-South cooperation that has received only occasional attention in South-South documentation is the prevention and cessation of armed conflict within and among developing countries. As noted in paragraph 16 above, the ministerial meeting of the Group of 77 held at Cairo in 1986 underlined the interrelationship between peace, security, development and economic cooperation among developing countries and accordingly stressed the importance of settling all disputes among developing countries by peaceful means. There has, however, been little analytical attention paid to the linkages mentioned, and most efforts at South-South conflict-prevention and peacemaking have been made at the regional and subregional levels; they have been unable to address situations that have global ramifications.

59. Areas of particular importance that have been ignored in major South-South policy pronouncements include the international flow of small arms and light weapons and its subversive and criminal relationship to the illicit drug trade and money-laundering. The illicit trade in narcotic drugs, with an estimated value of $500 billion a year, is now one of the largest elements of international trade and has been a strong anti-democratic influence in global affairs, pumping enormous amounts of money into criminal and terrorist circles and making it difficult for many developing countries to maintain sovereign control of their natural resources.

60. Significant obstacles to progress in South-South cooperation have been the lack of adequate information, inefficient or underdeveloped infrastructure, weak financial support and lack of a concerted effort to implement the remedies outlined in a large volume of unheeded action plans. However, there are also other issues that need critical examination. Many Governments of developing countries have not assumed the financial and other responsibilities for improved planning, programming and coordination that could change the ad hoc manner in which South-South initiatives are currently supported.

61. Although United Nations organizations have enabled noteworthy progress to be made in South-South cooperation and all agencies and programmes now make substantial use of expertise from developing countries, the potential of the United Nations system to support South-South cooperation has not been fully realized. Several factors have been responsible.

62. One factor is the inadequacy of financial and human resources in existing organizational mechanisms within the United Nations system for the strategic direction and monitoring of South-South activities. Another is the persistence of the belief within the United Nations system that technical cooperation among developing countries is a sectoral activity.

Unless it is seen as a cross-cutting element that requires clear policy and management, strategic aims cannot be realized.

63. The foregoing analysis demonstrates that, over the years, developing countries have succeeded in setting an elaborate agenda for South-South cooperation but its implementation remains sluggish owing to multiple constraints. Initially, the agenda lacked balance: it focused more on economic growth, while neglecting the social, political and environmental factors that underpin cooperation and development. In attempting to extend the scope of South-South cooperation to a wide range of social and economic sectors, the South acquired an overburdened agenda that requires consolidation around a manageable set of goals. The analysis also shows that the institutions and mechanisms that act on the South-South agenda need strengthening, adequate funding, increased South-South information flows, and widespread understanding of the potential benefits of South-South cooperation. At the operational level, developing countries, United Nations agencies and donors need to abandon ad hoc approaches to South-South cooperation by concentrating resources on well-coordinated programmes. This will require deploying higher levels of human and financial resources to the institutions charged with the planning, coordination and monitoring of South-South cooperation.

VII. Recommendations

A. Consolidating the South-South agenda

64. **A high-level group of experts should be convened to align the South-South cooperation agenda with the Millennium development goals. The group should also recommend measures to strengthen the institutions and mechanisms of the South through which developing countries could pursue development goals in a concerted and coordinated manner.**

B. Monitoring South-South efforts to meet the Millennium development goals

65. **The coordination of South-South cooperation by the UNDP Special Unit for Technical Cooperation among Developing Countries should be focused more on catalysing and monitoring South-South efforts to meet the Millennium development goals. The Unit should prepare a report every two years, highlighting the action taken or not taken in this regard. The report should be considered by the High-level Committee on the Review of Technical Cooperation among Developing Countries.**

C. Addressing factors eroding development gains

66. **UNDP, the United Nations Children's Fund and the United Nations Educational, Scientific and Cultural Organization should collaborate in promoting the inclusion of peace education as a standard element in school curricula. The conference on South-South cooperation and the reconstruction of Afghanistan, convened jointly by the Government of India and UNDP at New Delhi on 23 and 24 May 2002, is one example of South-South cooperation in post-conflict situations that could be evaluated for possible replication, drawing upon the experience gained in countries such as Cambodia, East Timor, Mozambique and Rwanda.**

D. Building a South-South research and analytical capacity

67. **The UNDP Special Unit for Technical Cooperation among Developing Countries, in cooperation with existing arrangements, should facilitate the development of a South-South research and analytical capacity by identifying universities and research centres in the South that could play a lead role in researching policy options and other relevant areas on each Millennium development goal. The Unit would establish links with such institutions with a view to building a global network that would focus on measures to meet the Millennium development goals within the framework of South-South cooperation.**

E. Strengthening partnerships

68. **UNDP should, through its Special Unit for Technical Cooperation among Developing Countries, build strong partnerships with the**

private sector and centres of excellence in the South, donors, and institutions in the North by recognizing their contribution through the presentation of annual awards for: (a) a corporate leader in the South who has made a significant contribution to South-South cooperation; (b) a centre of excellence in the South for exemplary promotion of South-South cooperation; (c) an institution in the North or a donor agency which has provided outstanding support to South-South activities; and (d) an individual who has made outstanding contribution to South-South cooperation. The award ceremony should coincide with the annual ministerial meeting of the Group of 77, and should have the Secretary-General as Chief Patron.

F. Improved coordination and oversight of South-South cooperation

69. The proposed decade for South-South cooperation would be a major undertaking, requiring a strong coordinating mechanism. In this regard, the Special Unit for Technical Cooperation among Developing Countries, which coordinates South-South cooperation in the United Nations system needs reinforcement in terms of human and financial resources. The General Assembly should consider renaming the Unit as the Special Unit for South-South Cooperation, in accordance with its function as coordinator of South-South cooperation in the United Nations system.

G. Building a global community of practice on South-South cooperation

70. National focal points for technical cooperation among developing countries should be transformed into national committees for South-South cooperation in order to strengthen institutional mechanisms for coordinating cooperation among developing countries. The Special Unit for Technical Cooperation among Developing Countries should link the national South-South committees through its Internet-based information system, the Web of Information for Development (WIDE), to create a global networked community of practice on South-South cooperation.

71. The High-level Committee on the Review of Technical Cooperation among Developing Countries should review all aspects of South-South cooperation, and its membership be expanded to include representatives of regional and subregional groupings.

H. Improved funding base

72. The Trust Fund for South-South Cooperation should be included in the United Nations pledging conference.

73. The Special Unit for Technical Cooperation among Developing Countries should build partnership with regional development banks with a view to mobilizing more financial resources and building capacity for South-South cooperation in various sectors.

I. Raising awareness

74. New efforts must be made to expose South-South activities to the mass media and other channels of communication, such as television, radio, newspapers and academic journals.

75. The above-mentioned group of experts should recommend specific actions for launching the United Nations decade on South-South cooperation and the United Nations day for South-South cooperation. A high-level international commission should be established by the Group of 77 with support from development partners in the North to report at the mid-point of the decade on the status and future of global cooperation for development.

J. Revitalizing South-South cooperation

76. As we approach the twenty-fifth anniversary of the convening of the United Nations Conference on Technical Cooperation among Developing Countries, it is time to take stock of what has been achieved, regroup and consolidate ongoing initiatives, formulate creative new approaches to the challenge of globalization, and set in motion a revitalized process of cooperation among developing countries.

Notes

[1] *Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978* (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

[2] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

[3] See *Report of the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, New York, 9-20 July 2001* (A/CONF.192/15), chap. IV.